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# China Report

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15 September 1983

# CHINA REPORT

## AGRICULTURE

No. 272

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PEOPLE'S REPUBLIC OF CHINA

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I. GENERAL INFORMATION

PROBLEMS RESULTING FROM EEC FARM SURPLUSES OUTLINED

Beijing RENMIN RIBAO in Chinese 7 Jul 83 p 1

[Article by Gong Chang [7895 1603]: "Difficulties For EEC Caused By Farm Product Surpluses"]

[Text] Not long ago the ministers of agriculture of each of the EEC countries held difficult negotiations in Brussels at which it was decided that in 1983 and 1984 prices for farm products would rise an average of only 4.2 percent. Though the ministers attending the meeting expressed satisfaction with this, their concern about steadily deteriorating EEC agricultural finances could not be eradicated.

In order to develop agriculture and realize self-sufficiency in farm products, in 1962 the EEC began gradually to build a unified market, to institute unified prices for farm products, and to establish a common agricultural fund. Today the situation has developed from one of a shortage of agricultural products to production surpluses. At the present time there are large surpluses of all farm products, with the exception of livestock feed. There is a 339 percent surplus of cow's milk, a 78 percent surplus of condensed milk, plus surpluses of milk powder, wheat flour, sugar, butter, cheese, and poultry that run to 36, 26, 25, 20, 7 and 5 percent respectively. The decision of the EEC to hold down the extent of price rises for farm products was precisely for the purpose of better handling the problem of agricultural product surpluses.

Reasons for surplus production of farm products in the EEC are numerous. Mechanization of agriculture as well as advances in agricultural technology are important reasons. Moreover, maintenance over a long period of time of officially set prices for farm products by each of the EEC country governments is a more important reason. Acting on the basis of this policy, whenever market demand for farm products is saturated, the country is obliged to buy at officially set prices the surplus products that farmers are unable to sell. In this way the farmers do not have to worry about not finding markets for their products, and

the more the farmers produce, the higher their earnings. Therefore, even though there is presently a large surplus of farm products, the output of all member countries continues to climb.

The large surpluses of farm products have caused numerous problems for the EEC. Purchases of products at officially set prices by each country have added to their financial responsibilities. In addition, storage of surplus farm products has also required expenditures of large amounts of funds.

In order to sell its farm products, the EEC has done its utmost to find markets in countries and regions outside the EEC. However, competition in international markets is currently fierce, and prices of farm products tend to be low. Prices of EEC farm products must be cut in order to find buyers. This requires that huge sums of export subsidies be paid to support exports. Statistics show that since 1975 the portion of EEC budgets devoted to agriculture has jumped twofold. This year it reached 14 billion Eurodollars (approximately \$16 billion), or two-thirds the EEC's budget, with most of this money being spent for storage and export subsidies.

On the other hand, the EEC has used export subsidies to dump surplus farm products. This has increased the conflict with the world's largest exporter of farm products, the United States. The United States has accused the EEC of grabbing its traditional agricultural markets, and has retaliated. Early this year, the United States sold Egypt 1 million tons of wheat flour at subsidized prices, capturing a market that had belonged to France for the past 20 years. The rivalry between the United States and Europe for farm product markets has intensified frictions within NATO.

In order to solve the problems caused by farm product surpluses, the EEC has planned to restructure its farm product procurement policies. However, this affects the personal interests of member countries, so it too has encountered opposition from the agricultural block and has met defeat. The reason that the ministers of agriculture of the EEC have been able to ignore demands from agricultural society organizations for a 7 percent price hike and achieve a fairly low price increase (the lowest in the past 10 years, and less than half that of last year) is that they realize that the mountainous surplus agricultural products are more than the EEC treasury can bear, and unless halted the situation will get out of hand.

The average 4.2 percent price rise decided by the EEC ministers of agriculture is figured in terms of Eurodollars. Since, however, the value of currency in individual countries varies, the

extent of price increase for agricultural products in each country will also vary. For example, in West Germany prices will increase by about 2 percent, while they will rise by more than 8 percent in France. If the price inflation index for each country is taken into account, the present price rise is a very limited one. Some people believe that the average rate of increase in actual income of farmers in each of the EEC countries next year will be virtually zero. The intent of this accord is obviously to curb continued development of farm goods surpluses, and reduce the EEC's financial burdens. In fact, however, after making this price rise, the EEC will still have to make an additional expenditure of \$1.15 billion from its budget, so the EEC's financial situation cannot yet be improved.

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SUMMER GRAIN PROCUREMENT, STORAGE PROCEDURES OUTLINED

Beijing JINGJI RIBAO in Chinese 3 Jun 83 p 1

[Article: "Take Firm Grip on State Summer Grain Procurement Using Multiple Channels"]

[Text] The summer grain production situation is very good this year. The area sown to grain in the country's 15 major summer grain growing areas has been increased by almost 1 billion mu. Everywhere summer grain is growing well now. Despite natural calamities in some parts of south China, overall, a bumper harvest is in prospect.

Summer grain, and particularly wheat, is the major grain consumed by China's people. State procurement of summer grain accounts for about one-fourth of total state grain procurement throughout the country. In bumper harvest years for summer grain, when work is done well and the state procures somewhat more than usual, it is possible to win the initiative in making provisions for grain for the year as a whole. In addition, after peasants who have harvested a bumper crop have kept sufficient amounts of various kinds of grain needed, they are also able to sell more to the state and get more cash for use in buying means of production and items needed in daily life. Thus, diligent attention to state summer grain procurement and efforts to procure more is of major significance both from the standpoint of the state's prompt control over commodity grain to assure supply in all regards, and in satisfying peasant needs to market their grain in order to be able to support agricultural production.

Summer grain is continuing to arrive at the threshing grounds now. All jurisdictions should take firm hold on preparations for state procurement and storage in granaries to assure prompt acceptance and storage of new grain. The time for state procurement and storage of summer grain is very concentrated, and tasks are arduous. It is also the very busy season for planting in agriculture, so special attention must be given to solving the possible appearance of "difficulty selling grain." Counties and communes in which state procurement and storage is a major task



should set up leadership groups under the aegis of local party and government persons in charge, and promptly study and solve problems in state procurement and storage work. At the present time, an appreciable amount of grain is in storage in major grain producing areas and grain storage facilities are insufficient. The task of clearing out granaries and combining grain storage must be taken firmly in hand, and every effort made to tap potential and make more room for the acceptance into storage of new grain. Dates should be arranged for individual production teams and households to sell their grain, and a program should be worked out for putting the grain in storage. Assistance should be given specialized households with large quantities of grain to be sold in making arrangements for its storage. Everything possible should be done to look after old, weak, ill, and handicapped households that are selling grain. They should be helped carry the grain and get it into storage. When there is no place to store new grain, open air storage must be arranged. If necessary, public buildings or people's houses should be borrowed for use; alternatively, payment should be made following inspection of quality, and the grain entrusted to the peasants for temporary safekeeping, withdrawals being made subsequently as needed. In procurement and storage, prices should be set in accordance with quality; procedures should be simplified to the maximum extent possible; and final accounting and payment should be made promptly. It should also be clearly publicized that after fulfillment of state procurement and excess procurement quotas, peasants may continue to sell surplus grain to the state. So long as it meets quality standards, unlimited purchases will be made at the excess procurement price, and there will be no halt in acceptance, limitations on acceptance, or refusal of acceptance. In short, all effective action should be taken to accommodate the masses in grain sales, to save peasants' time, and to support agricultural production.

In accordance with the spirit of Central Committee Document No 1, on 1 January this year the State Council Office forwarded the Ministry of Commerce's "Trial Regulations on Various Problems in Instituting Multi-channel Dealings Following Fulfillment of Unified Grain and Edible Oil Procurement Quotas." This is a major reform in grain work. After fulfilling summer grain procurement and excess procurement quotas, all jurisdictions are to initiate multi-channel dealings, strive to keep all channels open, and help peasants transport for sale all the grain that they want to sell. In multi-channel dealings, state-owned grain businesses should play their full role as the principal channel. After fulfilling procurement and excess procurement quotas, they should try to carry out negotiated procurement, do all possible to get control of some commodity grain, use their own advantages in having business network outlets and facilities for active par-

ticipation in market regulation, and enliven procurement and sales at negotiated prices. They should simultaneously provide vigorous support and necessary guidance to multi-channel dealings. Supply and marketing cooperatives should actively coordinate with state-owned grain businesses to make the most of business flexibility, and do a good job of procurement and sales at negotiated prices. Other cooperative rural businesses as well as collectives and individual households holding business licenses may deal in grain and transport it for sale outside the county and province. Places having insufficient state granaries, or where transportation is fairly difficult, should be encouraged to use motorized vehicles and ships as well as all kinds of transportation methods used by the people to transport grain for sale so as to even out surpluses and shortages or the availability of different kinds of rice between one area and another.

Procurement and storage of summer grain is a major task in rural villages right now, and the opening of multiple business channels is a new task tried out this year for the first time. CPC committees and government at all levels should strengthen leadership, and closely cooperate and coordinate in all ways. The broad masses of peasants should carry forward their glorious traditions in drying and winnowing grain, and in selling more and better grain to the state. Grain departments should do all their jobs conscientiously, and provide the peasants with exceptionally fine service. Banks should assure the funds needed for grain procurement. Industrial and commercial management departments should strengthen management of grain markets. Railway and transportation departments should arrange transportation in accordance with grain shipment plans, assuring that grain is shipped promptly. Commercial departments should do a good job of organizing movement of industrial goods to the countryside so that after peasants have sold their grain they will be able to buy the goods they need. With efforts by all, fulfillment of summer grain procurement and excess procurement quotas may be assured, and a smooth beginning to multi-channel grain dealings can be assured.

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NATIONAL FARM HOUSEHOLD PER CAPITA NET INCOME UP

Beijing ZHONGGUO NONGMIN BAO in Chinese 5 Jun 83 p 1

[Article: "One-third of Peasant Households in the Country Have Per Capita Net Incomes Averaging More than 300 Yuan. Well-to-do Peasant Households Increasingly Numerous and Needy Peasant Households on the Decline."]

[Text] A State Statistical Bureau survey shows that since the Third Plenary Session of the 11th Party Central Committee, income has generally risen among the broad masses of peasants. Well-to-do peasant households are becoming increasingly numerous, and needy peasant households are on the decline. The proportion of peasant households having per capita net incomes averaging more than 300 yuan in the country's rural villages rose from 2.4 percent in 1978 to 36.2 percent in 1982, a 33.8 percent increase. Meanwhile, the proportion of peasant households averaging per capita incomes of less than 200 yuan declined from 82.6 percent to 26.8 percent, a 55.8 percent decline.

In 1982, 6.7 percent of rural peasant households had per capita net incomes averaging more than 500 percent up 3.5 percent from 1981. Peasant households with an average per capita net income of between 300 and 500 yuan numbered 29.5 percent, up 10.1 percent from 1981, while the number of peasant households with an average per capita net income of less than 200 yuan fell to 15.8 percent.

During the past 4 years, noticeable change has occurred in the number of well-to-do and needy rural households. Institution of contract responsibility systems linked to output, promotion of advanced scientific techniques, and the launching of economic diversification has been an effective way of curing poverty and bringing about prosperity. Analysis of survey data from all jurisdictions shows a current increase in well-to-do households and decline in needy households, contract responsibility systems linked to output having played a major role. Survey of 658 peasant households in Heilongjiang province showed a sudden 1.3 fold increase to 520.60 yuan in average net income of peasant households using "double contracting" contracting of fixed out-

put quotas and full responsibility for task completion in 1982 as compared with the previous year when peasant households did not use "double contracting." This was 1.2 times more than for households that did not use "double contracting" in the same year. Making the most of technical skills, rational operations, engaging in specialized production of various kinds of specialized marketable goods, a high percentage of marketable products, and good economic results are basic features today of production by well-to-do households.

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CONTRACT RESPONSIBILITY FOR SOIL FERTILITY BEING TRIED

Beijing ZHONGGUO NONGMIN BAO in Chinese 24 Jul 83 p 2

[Article by Yan Shicheng [7051 0013 2052], Wuxiang County CPC Secretary, Shanxi Province: "Institute Soil Appraisals to Promote Soil Treatment"]

[Text] Following institution of family contract responsibility systems linked to output, numerous peasants devoted extreme attention to both use and nurture of the soil. They were willing to invest work and funds in the land they had contracted and improve conditions for production. However, a considerable number of peasants who feared policies might change only farmed the soil but did not nurture it, or even farmed it in a plundering fashion bringing about a decline in the soil's fertility.

How can this problem be solved in a fundamental way and the peasants be brought around to invest work and funds in the land consciously, of their own accord, and actively for steady improvement in the soil's fertility? We believe the key lies in contracting criteria, state procurement quotas, and use rights that endure without change for several years, as well as in whether peasant investment in the lands receives social recognition, and whether rewards are commensurate with peasant labor expended in farmland capital construction.

By way of gaining experience in solving this problem, last winter and this spring we ran pilot projects on soil appraisal at Shangsi and Jiuquan communes where we "set yields according to the soil, set grades according to yields, set value according to grade, awarding increases and penalizing decreases." This is to say yields were measured for individual plots of land and the land assigned one of nine levels in three grades on the basis of yield, and then an appraisal of the average value of the land was made on the basis of yields per level and grade. If land was contracted for a long period of time without change, benefits derived from increases in grade reverted to the contractor for a long period. Once the contract period was over or, should it

become necessary to readjust or transfer contracts temporarily, the principle was followed whereby compensation equivalent to what would have been received for work was paid for the upgrading of the soil, a corresponding bonus being given with individuals not suffering any loss. If the grade of the soil declined as a result of failure to nurture it, economic penalties were meted out.

The situation at the pilot project showed obvious results though appraisals were made for only somewhat more than half a year. In addition to settling commune members thinking, it aroused extreme enthusiasm among commune members to carry out farmland capital construction. Last year following soil appraisal at Shangsi Commune, every household did a lot of work in reconditioning the soil, filling in gullies, leveling bumps and holes, cutting down mounds of earth sticking up above the land, adding soil to barren land, weaving large rush weirs to impede runoff in ravines, and breaking down hard outcroppings on mountain land. On distant and bad land, in particular, extremely obvious transformation occurred. The entire commune contracted more than 4,400 mu of distant and bad land, more than 3,000 mu of which it had reconditioned as of this spring, applying more than 70 dan per mu of barnyard manure to it. Today about one-tenth of the land in the commune that had been grade 2 before institution of appraisals has become grade 1 land, and one-fourth of its grade 3 land has become grade 2 land.

"Setting yields according to the land, setting grade according to yields, and setting an appraisal according to grade" not only contracts output, but also contracts nurture of the land. Thus the family contract responsibility system linked to output is raised to a new level.

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PROBLEMS OF FARM PRODUCTION DISCUSSED

Beijing RENMIN RIBAO in Chinese 27 April 83 p 3

[Article by Li Chang [2621 2490]: "The Unification of Contradictions in Agricultural Production"]

[Text] Recently, some Beijing comrades studying natural dialectics have been discussing the strategy of agricultural development and have raised the questions of the unification of contradictions in agricultural production and the characteristics of different areas. I would like to present some views in order to investigate them together with other comrades.

Agriculture is an artificially stimulated biological reproduction process. In terms the biological growth process, it is a unity of contradictory biological and environmental factors. But different areas have different problems in realizing this unity of contradictions.

Regions of the first type must resolve the unity of contradictions of biological and environmental factors in crop raising. The rapid growth of China's agriculture in recent years as has resulted primarily from several agricultural policies of the party Central Committee following the third plenum of the 11th Central Committee, particularly the responsibility system of contract system with compensation according to output which has given the peasants control over their operations and the right to have distribution according to labor under state plan guidance, and has greatly stimulated their production enthusiasm. At the same time, when the peasants gained control over their own operations they were able to correct the error of "one approach for everybody" and exclusive concentration on one type of grain, which gave low grain yields, and were gradually able to readjust their crop structure, proceed in accordance with local conditions and plant what was right for the land, thereby unifying the biological and environmental factors.

There are a great many gratifying or startling examples in this area. Some counties that had been in difficulties for decades have doubled their agricultural output in 3 or 4 years, and the peasants have started on the road to prosperity. For example, the famous Chuxian Prefecture in Anhui, the prefectures of west and north Shandong, Weixian and Wuqiao in Hebei, and Minquan and Lantao in Henan have experienced great changes in agricultural

production in the last few years as a result of growing crops suited to local conditions. "Local" refers to the environmental factor, and "suited" refers to readjustment of the crop layout, planting of crops suited to this type of environment, resulting in unification of the biological and environmental factors. Thus while there was a slight decrease in the area planted to grain, grain output increased considerably.

Of course, in agricultural and stock-raising regions, grain raising is the backbone of agriculture and stable or increasing outputs must be assured. Experience makes it clear that when it is assured that a certain amount of land is planted to grain, because the peasants now have more leeway they are able to buy more good varieties, fertilizer, pesticides and agricultural machinery, and to invest more labor and intelligence, and households specializing in grain production have even emerged, so that grain growing has become intensified and in certain areas it has been possible to increase the per-capita grain output.

The current problem is this: Are there any areas among the country's more than 2,000 counties which have not yet been able to resolve the contradiction between biological and environmental factors in crop raising? I believe that for counties with such a situation planting crops suited to conditions is the critical step that is needed to go from poverty to prosperity.

The areas of the second type have to readjust their agricultural structure, correct their current lack of forestry and small amount of stock raising, establish a rational proportionality between agriculture (in the narrow sense) and forestry and livestock raising (breeding activities) and solve the contradictions within the agricultural ecological system. Many localities have already readjusted their crop layout and have respectable grain yields per unit area; but how can they further develop agricultural production? It appears that large-scale increases in output of grain should occur in low- and medium-output areas. Areas which already have high output should first clearly determine their agricultural natural resources and then energetically develop breeding activities and forestry (in addition to growing fruits, mulberries, hemp, tea, tong trees, flowers and ornamental plants and the like) so that the agricultural ecological system will realize its excellent overall capabilities.

When grain production and overall crop production already have a rather good foundation, the greatest economic benefits are realized from developing the breeding and forestry activities such as dairy cattle, dairy goats, rabbits, poultry, fish, economic forests, firewood forests and the like (in connection with agriculture, forestry and crop raising, the processing of agricultural and sideline products urgently needs development, but we will not dwell on this topic). The development of forestry and livestock raising also creates favorable conditions for steady or increasing output in crop raising. In addition, since the past focus was limited to crop raising, the rich natural resources of mountain regions, grasslands, lakes and ocean areas still await development. Therefore, some comrades say that past agriculture in the past was ineffective in the mountains and in the waters, and that we should now attentively read the "Classic of Mountains and Seas."



Because there is great diversity in local suitability, the agricultural structure should be very carefully planned, programs should be developed, and every locality's resource advantages should be utilized in a search for the optimum economic result. But judging by the state of work in the Chinese Academy of Sciences' comprehensive agricultural modernization scientific experimentation bases (and counties), the work of organizing scientific personnel in the relevant specialities to carry out a survey of agricultural natural resources has been done well; the survey results indicate that a great deal of effort remains to be done in working out comprehensive countywide agricultural economic development plans. It appears that carrying out comprehensive studies of the agricultural economy of a given area as a whole, working up programs, creating an optimal agricultural ecological system and increasing its overall capabilities is a large and arduous task. Although comprehensive programs are difficult to develop, "synthesis is creation." Making an overall plan for an area's development is the task of social engineering, a new branch of management science, and requires energetic investigation by many scientists and enthusiastic young people. A transitional approach is to organize scientific and technical personnel in the relevant specialties to conduct a joint breakthrough effort.

Areas of the third type must prevent or manage the bad effects produced by agricultural and industrial production, including soil erosion, wind erosion, desertification and water and air pollution and maintain the ecological balance between the inhabitants and the natural environment.

Man is an animal, and in the development of human society there also arises the problem of unifying the contradictions between biological and environmental factors; we as a socialist country must solve this problem even more conscientiously. Some areas of our country are already in serious condition. For example, in the arid regions of the north (with rainfall of 400 mm or less), including about 80 counties or banners in Ningxia and Gansu, population growth has led to abandoning exhausted fields to cultivate new ones, an increase in the land reclamation area, and excessive burning of wood and overgrazing (without planting of grasslands); these three factors working together have caused a degradation of the grasslands. Scientists have long been visiting the areas subject to desertification and have already achieved some research results in linking theory with practice, leading to some preliminary successes. There is now an urgent need for the relevant leadership departments to make a vigorous effort at organizing sand control work. As another example, some areas still continue slash-and-burn cultivation, agricultural villages and even industries burn trees as firewood, and some people even cut them wantonly and indiscriminately and take the wood away to sell it with the result that there has been a great decrease in the forested area, the natural ecological system has been damaged, and the environment has worsened. We must do everything possible to save the forests, make vigorous efforts to plant more of them, institute planned harvesting of forests, and establish a new ecological balance so that our country will become a suitable place for future generations to live in.

We must also raise the warning that some areas with a flourishing economy and well-developed production are facing water and air pollution, and that they must consider how to deal with the already existing environmental pollution in planned fashion; at all costs, they must not repeat the bad experiences of certain other countries.

INCREASE IN DIESEL OIL FOR FARM USE ANNOUNCED

Beijing ZHONGGUO NONGMIN BAO in Chinese 12 April 83 p 1

[Article: "Diesel Oil for Farm Use Increases by 14 Percent Over Last Year']

[Text] Recently a joint notice by the Ministry of Commerce and the Ministry of Agriculture, Animal Husbandry and Fishery stated that investigations by the State Economic Commission and the State Planning Commission have determined that the amount of diesel oil allocated for farm use nationwide in 1983 would increase by 14 percent over the 1982 plan.

The notice stated that the range of agricultural uses of diesel oil included crop raising, forestry (not including the forestry industry and its specialized transport facilities), livestock raising, sideline activities (commune, brigade and specialized household industry and sideline industry), fisheries (ocean and fresh-water fish raising and fishing) and farm transport.

The notice requested the localities to assure that the key needs of agricultural production were satisfied; the amount of diesel oil used in agriculture this year should increase somewhat compared with the actual 1982 supply level, rather than decreasing.

The notice also stated that the focus of agricultural diesel oil distribution management would be at the country level and below and that in order to assure rational distribution and scientific management, to assure that key needs were met and to conserve an oil use, the counties could test the method of joint management of agricultural diesel oil by the agricultural and commercial departments: in accordance with the agricultural-use diesel oil targets established by the local governments, the county agricultural (or agricultural machinery) departments should carry out distribution while the county commercial departments (or petroleum supply departments) should actively coordinate with them to assure effective supply. The specific arrangements are to be negotiated between the parties.

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## WATER CONSERVANCY'S ROLE IN QUADRUPLING PRODUCTION

Beijing NONGYE JISHU JINGJI [ECONOMICS FOR AGRICULTURAL PRODUCTION TECHNOLOGY]  
in Chinese No 4, 5 Apr 83 pp 1-5

[Article by Li Baining [2621 0130 1380]: "Water Conservancy as a Guarantee of Quadrupling the Gross Annual Value of Industrial and Agricultural Production"]

[Excerpts]

### I

The state's 20-year plan for the national economy puts forward strategic goals for increased grain production in the development of agriculture. By the year 2000, total grain output is to be 960 billion jin (800 jin per capita), with a yearly average rate of increase of 16.5 billion jin. This average rate of increase is much higher than that in the preceding 30 years. And the higher the yield per unit area, the greater the base and the more difficult it is to increase production. What measures can be taken to insure a sustained increase in production at a higher rate than in previous years?

Of the more than 3 billion mu of grassland in our country that can be used, only somewhat more than 5 million mu is irrigated. On irrigated grassland the stocking density is a little more than 4 mu per sheep; on nonirrigated grassland, because the grassland deteriorates or turns into sand, on average it takes 20 mu to rear one sheep. On some grassland, the fact that the drinking water problem has not been solved for people and animals also restricts the development of animal husbandry.

### II

According to statistics, in the 30 years from 1949 to 1979, the total amount of water used by our country quadrupled. Of this, water used by agriculture tripled, water used by industry increased 11 times, water used by thermal power plants increased 60 times, and water used by cities increased 7 times. Based on an analysis of the relevant data, according to the forecast for our country's gross value of industrial and agricultural production to reach 2.8 trillion yuan and for its total grain production to reach 960 billion jin by the end of this century, the total amount of water used by the country will rise from the present 476.7 billion cubic meters to 647-742.8 billion cubic meters. Of this amount, the annual growth rate of water used by agriculture will be 1.17-1.76 percent, and the annual growth rate of water used by industry will

be 3.7-4.8 percent. (See Table 1) This estimate is lower than the world average level. In 1980, the United States issued a technical report in which it forecast that the annual growth rate of the amount of water used by the world in 2000, taking 1967 as the base, would be 3.1 percent. Of this amount, the annual growth rate of water used for agricultural irrigation would be 2.1 percent and that of water used by industry would be 5 percent. (See Table 2).

Table 1 Forecast of Growth in Demand for Water in China in 2000

P = 75% unit: 100 million M<sup>3</sup>

<u>Item</u>	<u>Present Situation</u>	<u>Long-Range Situation (2000)</u>	
	"1978"	<u>Amount of Water Used</u>	<u>Annual Average Growth Rate (%)</u>
Total water demand	4,767	6,470~7,428	1.54~2.24
Water used by agriculture	4,195	5,293~5,953	1.17~1.76
Including:			
Irrigation	4,005	4,920~5,580	1.03~1.67
Rural people and animals	137	243	2.91
Animal husbandry	53	130	4.59
Water used by cities & industry	572	1,177~1,475	3.7 - 4.8
Including:			
Industry	263	677~965	4.7 - 6.7
Thermal power plant	260	400	2.1
Cities	49	110	4.13

Table 2

## Forecast of World Water Use in 2000

<u>Item</u>	<u>1967</u>		<u>2000</u>		<u>Growth Rate (%)</u>	<u>Average Annual Growth Rate(%)</u>
	<u>Amount of Water Used (100 million M<sup>3</sup>)</u>	<u>Proportion of Total Amount of Water Used (%)</u>	<u>Amount of Water Used (100 Million cubic meters)</u>	<u>Proportion of Total Amount of Water (%)</u>		
Agriculture:						
Irrigation	14,000	70	28,000	51	100	2.1
Animal husbandry	558	3	1,002	2	74	1.7
Rural civil use	198	1	383	1	93	2.0
City civil use	730	4	2,789	5	282	4.1
Industry and mining	4,377	22	22,310	41	409	5.0
Total	19,893	100	54,504	100	174	3.1

Data Source: U.S. 1980 "The World in 2000 A.D."

Water Conservancy is an important conditioning factor for quadrupling the gross value of industrial and agricultural production. But the existing water conservancy facilities are far from being able to meet the demands of the development of the national economy. First of all, the threat of floods and waterlogging has not yet been removed. The country's large rivers, and even some of its medium and small rivers, have not been permanently brought under control. In general, flood prevention standards tend to be low. The catastrophic floods in history could not be prevented, and even after liberation major flood and waterlogging disasters could not be avoided. Because in the past dozen years the climate has tended to be dry, some comrades mistakenly think the flood problem has been solved and they are apathetic in their thinking about the threat of flood disasters. Therefore, we must overcome this paralysis in thinking and make full and good preparations. Second, the farmland drought-prevention capacity is low. Of the 700 million mu of area available for irrigation, only 500 million mu are under insured irrigation and only 300 million mu have harvests guaranteed despite drought or waterlogging. The existing irrigated area cannot completely resist the disasters of big droughts or successive dry years. Over half of the country's cultivated land has no irrigation facilities. It is calculated that over the years 1950-1979, the 30-year national grain output was affected by all sorts of natural disasters, and on average every year about 20 billion jin of output was affected. Of this amount, 95 percent was affected by drought or waterlogging, and the effect of drought accounted for about 50 percent of the output reduction. Particularly since the 1970's began, the effect of drought on agricultural production has been especially prominent, and every year drought has accounted for 80 percent of the disaster-hit areas. In the north in years of big drought, the difference in output if there is water or not is very great, some differences begin two to three times or four to five times. If there is water there is a big bumper harvest; if there is not there is a big reduction of output, and even a production cutoff. For example, in the 30 years since the founding of the state, Heilongjiang Province has had seven big rises and falls in grain production: if there were good weather for crops there would be a big bumper harvest; if there were flood or drought disasters there would be a big reduction in output. The difference between one rise and one fall was 2 to 3 billion jin, and even 8 to 9 billion jin. In 1981, a big waterlogging reduced output by 4.2 billion jin; in 1982, because of a big drought in 1981, there was once again a reduction of 2 billion jin. Therefore, if the water conservancy problem is not solved, it will be difficult to steadily fulfill the progressive-increase quotas.

Looking at the state of the existing water conservancy projects, we see that, because they have suffered natural and manmade damage, in order to maintain the existing benefits from these projects they will need to be restored or replaced and transformed in a timely manner. Many reservoirs have switched from irrigation to city and industry water supply, land occupied by capital construction has reduced the irrigated area, and some water conservancy facilities have become old and obsolete. For example, the normal lifespan of a mechanical well is about 15 years, and every year 100,000 of them need to be replaced throughout the country. There are similar problems of service life, replacement and transformation for reservoirs, irrigation ditches, and electrical and mechanical drainage and irrigation facilities. According to normal demand, it

is estimated that by 1990, 5 to 7 percent of the equipment will need to be replaced, and if the work of maintenance replacement and transformation does not keep pace it will be very hard to maintain the 700 million mu of irrigated area. Following more and more difficult project conditions, project costs have become higher and higher. If we are unable to maintain and suitably develop the irrigation area, and do not create the necessary water conservancy conditions for agriculture, forestry and animal husbandry, it will be hard to complete the plan for agricultural development.

### III

In order to quadruple the gross annual value of industrial and agricultural production, I think that water conservancy, like energy and communications, should be raised to a strategic position and become a strategic focal point which is given full consideration and for which appropriate arrangements are made.

Similarly, water conservancy construction is divided into two steps. In the first 10 years, it will mainly be a matter of strengthening management, fully tapping the potential of existing project facilities, and improving economic results, and making good technological preparations for vigorous economic development in the second 10 years. The current water conservancy work is:

1. In the near future the focal point of water conservancy is to strengthen management, fully tap the potential of existing projects, and improve economic results. To this end, we must perfect the management structure (especially that of the commune and production team) and the management system; strengthen the management of the legal system; practice the contract responsibility system; integrate responsibilities, rights and interests; break free from the ideas of the "unbreakable rice bowl," the "one big pot," and equalitarianism, and fully arouse enthusiasm. We must have good project formation with complete sets, maintenance, conservation, replacement, transformation, and danger removal and reinforcement. We must readjust the water-use fees, comprehensively practice ways of using water economically and rationally, raise the water-utilization rate, and strive to make the limited water resources display the greatest economic results. Now, the provinces and autonomous region of Shandong, Shanxi, Gansu, Nei Monggol have already reappraised and decided on water fee standards, and this has great significance for economizing on water use, expanding the benefits of and insuring the maintenance, renewal and transformation of water-conservancy facilities.

2. Persist in utilizing the winter and spring slack seasons in agriculture to launch farmland capital construction and water and soil conservation work. In doing this work, we must sum up past experiences, suit measures to local conditions and strive for actual results; we must not engage in formalism. We must pay attention to policies, make full use of the surplus labor force after the responsibility system was put into practice, and display a spirit of self-reliance. Every year for every labor force there must be stipulated a definite amount of voluntary labor (e.g., 20-40 work days), and have it act as a labor investment in farmland water conservation and water and soil conservation work. This is the same kind of production activities in a given year as other farming

activities and cannot be regarded as equalitarianism and indiscriminate transfer of resources. For interprovincial projects under a unified plan, the methods of labor exchange and exchange at equal value or taking turns in receiving benefits--"turning the mill and rotating the circle"--may be practiced. Actually, this is jointly run water conservancy. Each province must guarantee that funds are provided for farmland water conservancy and water and soil conservation, and concentrate their use and allocate funds according to plan, so as to improve the effects of their use. In order to strengthen the organizational leadership of this work, every year there must be a summing up of dispositions and inspections, and this must be carried out in a sustained fashion. Investigation and study must be strengthened, new situations must be understood in good time, and new problems must be studied. At the same time, a good grip must be gotten on the work of technological guidance and technological training. Experience proves that if a production team, a commune, or even a county persists in this work for 5 to 6 years, 7 or 8 years, or 10 years, the features of agriculture can be greatly changed.

3. Strengthen the construction of commodity grain bases. An increase in commodity grain production is of great significance for the development of the national economy and the support of the people's life. Therefore, on the one hand, we must strengthen the construction of the eight old commodity grain bases, which include Jilin's Middle Plain, Hunan's Dongting Lake, Jiangxi's Linyang Lake, Jiangsu's Lixia River and Taihu Lake, Zhejiang's Hangjia Lake, and Guangzhou's Zhujiang River Delta. On the other hand, out of consideration for the even distribution of commodity grain bases and natural conditions, we can accelerate the construction of the following commodity grain bases: Heilongjiang's Sanjiang Plain, Gansu's Hexi Corridor, Nei Monggol's Yinhuang Irrigation Area, Ningxia's Hetao Region, Qinghai's Chaidamu Basin, Shandong's Northwestern Region, Jiangsu's Xuhuai Region, Anhui's Huaibei Region and Pishihuang Irrigation Area, Hebei's Lunzhou Region, and Jiangxi's Jitai Basin (conditions for building commodity grain bases also exist in Sichuan's Dajiang Weir Area, the Central Shanxi Plain Region, Hebei's Han River Line, and Henan's Yinhuang Irrigation Area). Among them, in the Yinhuang Irrigation Area, Ningxia's Hetao Region, Shandong's Northwestern Region, Lunzhou Region, Xuhuai Region, and Pishihuang Region, drainage and irrigation core systems have already been set up; in the future the projects will be expanded to form a complete set, some medium and small water conservancy works will be run, and measures will be taken to coordinate with agriculture, thereby providing advantageous conditions for accelerating the increase in grain production.

4. In water conservancy capital construction, at present the first thing to do is to conscientiously do a good job on projects that are being extended or are under construction; select the best ones for investment; concentrate financial, material, and human resources; insure quality; shorten the time limit for projects; and have them display beneficial results as fast as possible. The second thing to do is to do good solid work in the earlier stages and make good preparations for future development. We should select a batch of urgent projects, and carry out on them the work of feasibility studies, survey and design. We must strengthen leadership over the basic work of planning and designing, scientific research and hydrology. We must get a good grip on the work of amassing primary data and making technological and economic confirmations, and resolve actual difficulties encountered in the work.



We must continue to do a good job on plans for the drainage areas of large rivers; continue to do good work on some major projects--like the Changjiang River's Sanmen Gorge Project and the project to divert water from the south to the north--in the aspects of technical confirmation, planning and initial design of the overall scheme, as well as research on the problems of scientific and technological policy centered on these major projects.

5. In the state's plans and arrangements, we should proceed from the overall situation of our territory's renovation; take into full consideration the requirements of nation building, especially the requirement for quadrupling the gross annual value of industrial and agricultural production; take the whole situation into account and plan accordingly; and make water conservancy be reflected in short-and long-range plans. With regard to this point, if estimates are inadequate or arrangements improper, a passive state and obstacles will be created for the quadrupling of the gross annual output value of industrial and agricultural production. For investment in constructing sources of water, based on the existing project designs and actual cost of building the projects, it is estimated that, in general, 0.3-0.7 yuan will be needed for every cubic meter of water. Every mu of increased irrigation area, not including water source projects and field conveyance systems, requires an average 100 yuan of state investment; to complete the formation into complete sets of irrigated farmland and to replace and transform large facilities, it is estimated, requires an average 50 yuan of state investment per mu. In order to guarantee the water conservancy works required for quadrupling the gross annual value of industrial and agricultural production, this state investment should be guaranteed. And the investment required for flood-prevention projects cannot only be considered from the agricultural angle; this is a matter of constructing the four modernizations, of quadrupling the gross annual value of industrial and agricultural production, and of providing the necessary guarantees for the safety of the people's lives and property, and it should be given full consideration. At the same time, consideration must be given to water conservancy 5 to 7 years in advance.

9727

CSO: 4007/164

MAJOR GUIDING PRINCIPLES FOR WATER CONSERVANCY OUTLINED

Beijing JINGJI RIBAO in Chinese 1 Jun 83 p 1

[Article by Commentator: "Important Guiding Principles in the Building of Water Conservancy"]

[Text] Strengthening of administration and management and striving for economic effectiveness is a major guiding principle in the building of water conservancy. This principle not only derives from scientific summarization of China's experiences in the building of water conservancy over the past more than 30 years, but also points the direction for initiating a new situation in water conservancy work. Water is an important resource that is indispensable to human life and production, and water conservancy projects are basic structures in the national economy. Water is a major limiting condition in realization of the strategic goal of quadrupling the gross output value of industry and agriculture by the end of the present century. As building of the economy develops, the important role of water resources becomes increasingly obvious. Water conservancy is for the purpose of realizing magnificent goals, providing safety against floods and assuring water resources. Not only is water indispensable to agriculture as well as to forestry, animal husbandry, sideline occupations, and the fishing industry, but industry needs assured water resources as well. In the past we have frequently underestimated the sharp increase in industry's needs for water. In recent years, some major industrial cities in north China have had severe water shortages. This has become a major problem that has hurt economic construction overall, and that cannot but arouse a high degree of serious attention. Moreover, a look at needs for water to develop the national economy and the state of China's present water resources shows numerous places to have a serious water shortage with complaints about a "water crisis," while numerous other places are wasting large quantities of water. Conscientious study and solution to the water problem, and renewed realization of the position and role of water with full development and rational use of water resources is both a priority matter of the moment and also a project of vital and lasting importance that should arouse the serious notice of all

trades and industries, and particularly that of leaders at all levels.

It is necessary to appreciate that China is a country in which water resources are not abundant, in which distribution from one area to another is very uneven, in which a great disparity in distribution exists from one season to another, in which variations from one year to another are very great, and in which flood and drought disasters frequently occur. In the more than 30 years since founding of the People's Republic, the building of water conservancy has made universally acknowledged major achievements, which have played a major role in assuring social security and advancing development of industrial and agricultural production. Since the Third Plenary Session of the 11th Party Central Committee, a program of readjustment has been carried out on the water conservancy front whereby the focus of work has been shifted to management to enter a new stage in water conservancy construction. However, it is also essential to realize that as a result of the effects of "leftism" and the existence of a tendency to emphasize construction while slighting management for many years in the past, though about 100 billion yuan of fixed assets have been built throughout the country, still benefits from numerous water conservancy projects, including social benefits, have not been exploited to the full. An effective way of changing this situation is to carry out a program of genuine "strengthening of administration and management, with emphasis on economic effectiveness" in water conservancy work. Management as the key point of departure and emphasis on "administration," making increase in economic effectiveness the heart of running water conservancy for the overall interests of the national economy is the primary task of water conservancy departments at all levels, and is even more the key to ushering in a new situation in water conservancy work.

It is necessary to take firm grip on administration and management, and to stress effectiveness from investment in the building of water conservancy, to conserve water use, to improve the water utilization rate through maintenance and improvement of the performance of existing projects, and to increase overall water conservancy effectiveness to meet needs in building the four modernizations. This is a major ingredient in water conservancy reform, and a major measure for increasing economic effectiveness. The key to solution of this problem lies in proper readjustment of water rates, policies providing the guarantee.

The water that water conservancy projects provides is a means of production for industry and agriculture that must be figured into production costs. The erroneous practice of using water without economic accounting for it and without regard for its economic

effectiveness, "drinking out of a large common pot," must be resolutely turned around, and efforts made to establish a social structure for the conservation of water. Present water rates are too low, and there is much reliance on state subsidies to make up shortfalls. This has resulted in a decline in water conservancy project performance in some places, some being unable even to maintain simple reproduction. This has become an increasingly sharp contradiction in water conservancy departments. Proper readjustment of water rates is an important measure in carrying out the guiding principles for water conservancy work, and of major significance in advancing development of water conservancy endeavors. By carrying out the guiding principles for water conservancy, a new situation that improves with each passing day can certainly come about in water conservancy endeavors, and it will certainly be possible to make the contribution that should be made to realizing "two double increases" in the gross output value of industry and agriculture.

9432

CS0:4007/188

FARM MACHINERY TRENDS ANALYZED

Shenyang SHICHANG ZHOU BAO in Chinese 11 Jan 83 p 2

[Article: "National Agricultural Tractor Production and Sales Situation and Trends"]

[Text] 1. Agricultural Tractor Requirements

The results of a nationwide tractor survey in 1982 with statistics on 19 provinces and municipalities indicates that in 1981 the total sales of all varieties of tractors was 111,865 units, down 58.8 percent from 1979 and 31.1 percent from 1980. The sales of hand tractors totaled 97,205 units, or 86.9 percent of the total, down 55.1 percent from 1979 and 25.3 percent from 1980. The drop in sales of hand tractors was smaller than that in sales of medium and large-sized tractors.

2. Main Problems in Current Tractor Production and Sales

- a. Output in excess of sales, idle equipment and a low rate of utilization of capacity are the main contradictions in agricultural machinery production.
- b. There is a great variability in tractor ownership levels and cultivation standards from area to area, which reflects differences in the economic development of agriculture and in commune members' income and has a considerable influence on the need for tractors.
- c. As the agricultural production responsibility system is improved, and the two types of household-level contracting increase, individual households or groups of households are becoming the customers for tractors and the demand for varieties has shifted from large and medium-size tractors to hand tractors and small four-wheel tractors.
- d. The tractor-producing enterprises have poor economic results, many the number of enterprises showing profits has declined and the number posting losses has increased.
- e. The sales of attractive, cheap tractors have increased, while sales of poorer-quality, high-prices tractors have fallen.

### 3. Forecast of Agricultural Tractor Production and Sales Trends

a. Trends in demand for tractor varieties and models. Abroad, the small models in a large number of varieties and with man-machine integration typically produced in Japan, are suitable for areas with limited land and large populations; while large-horsepower combines, typically series produced in the United States, are suitable for large land areas with small numbers of people. China has a large rural population and limited agricultural land, and implementation of the production contract responsibility system has decreased the size of the production organization and intensive labor is the main form. Therefore, other than some large-area reclamation work in border provinces and mechanized farms which require large or medium-sized tractors, the peasants' current cultivation needs and financial capabilities have made multiuse hand tractors and small tractors the products most in demand, and this is the main trend in tractor demand.

b. Tractor markets. Our country is vast and populous, the regional agricultural economies of different areas are developing extremely unevenly, and there is great disparity in the level of ownership of agricultural machinery. Surveys in many areas have indicated that coastal provinces and municipalities with high ownership levels have decreasing demand, while the remote provinces have increasing demand.

c. There are extensive demand prospects for small hand tractors. As the spirit of the decisions of the 12th Party Congress are implemented and the large-scale contract agricultural production responsibility system is vigorously developed, the peasants' income is likely to rise continuously, the demand for small hand tractors will increase severalfold and the current sales stagnation will be relieved. Therefore, the producer units should strengthen their surveys and grasp the situation; in their current production they should focus on improving product quality, increasing the number of varieties, expanding demand, building up their manpower, avoiding blind production, and assuring that they have good production capabilities, in order to decrease unnecessary losses to the financial departments.

8480

CSO: 4007/149

## ANHUI EXPANDS GRANARY CAPACITY

Beijing ZHONGGUO NONGMIN BAO in Chinese, 12 Apr 83 p 1

[Article: "Anhui Province Builds 3 Billion Jin of New Granary Capacity in 3 Years"]

[Text] The 3 billion jin of granary capacity in whose construction Anhui Province invested last year will be fully operational this year, and the province is now actively pursuing plans to build another 1 billion jin of capacity. A senior official of the province's granary departments said that this year the difficulty which the peasants have experienced in selling summer grain will be relieved.

Soon after the third session of the 11th Party Congress, Anhui Province instituted the large-scale performance contract responsibility system provincewide, resulting in bumper grain harvests year after year and increasing the amount of commodity grain. Last year, provincewide state procurement, excess procurement and negotiated-price procurement exceeded 10 billion jin of grain. Granaries were filled to overflowing, so that it was difficult for the peasants to sell their grain; this became a major problem in Anhui's grain work. In 1979, when this problem had just emerged, the Anhui provincial party committee requested that the grain departments raise funds to build granaries. In both 1980 and 1981 the province added granaries with a capacity of a billion jin, but to meet the situation of increases in the peasants' grain sales in bumper years, in 1982 it raised funds for construction of additional granaries with a capacity of over a billion jin. Thus, in the course of 3 years the province has built more than 3.05 billion jin of granary capacity, exceeding the total increase in granary capacity in 15 year period from 1965 to 1979 by more than 100 million jin.

8480

CSO: 4007/149

FUJIAN

PEASANT AVERAGE INCOME REPORTEDLY HAS NEARLY DOUBLED IN 4 YEARS

Fuzhou FUJIAN RIBAO in Chinese 23 May 83 p 1

[Article by Provincial Statistical Bureau Reports Section:  
"Average Peasant Income in the Province Has Nearly Doubled in 4  
Years"]

[Text] Statistical data from a recent survey by the Provincial  
Statistical Bureau shows peasant income in the province in 1982  
to have averaged slightly more than 268 yuan, a 95 percent in-  
crease over 1978, or an average annual incremental increase of  
18.2 percent.

These statistical data show households in which per capita net  
income was more than 500 yuan in 1982 to have numbered 5 percent;  
a rise from .02 percent in 1978  
to 25.5 percent for those between 300 and 500 yuan; and an income  
from the previous 4 percent to 44.3 percent in those with between  
200 and 300 yuan.

Remarkable rise occurred in peasant payments for food, clothing,  
shelter, and daily necessities, and in expenditures for cultural  
life. At the same time, accumulations increased year by year.  
More and more purchases were made of fixed assets used in produc-  
tion such as plow oxen, large and medium size farm implements  
and machinery used in farming, animal husbandry and sideline  
occupations, as well as implements used for hauling.

9432

CSO;4007/188



PROBLEMS IN PROMOTING HYBRID RICE DISCUSSED

Guangzhou NANFANG RIBAO in Chinese 5 Jul 83 p 2

[Article by Gaozhou County CPC Committee: "Need For Repeated Solution to Problems Involving Understanding in the Promotion of Hybrid Rice"]

[Text] Gaozhou County has a large population relative to farmland, and grain has always tended to be in short supply. In order to solve food problems, during the 1980's the county area to which early and late crop hybrid rice ("superior hybrid") has been transplanted has averaged more than 60 percent of the total rice growing area. As a result, grain yields have burgeoned substantially. In 1982, the county's paddy output totaled 860 million jin, 130 million jin or 17.1 percent more than in 1981, and 260 million jin or 42.8 percent more than in 1978 before large scale planting of superior hybrid was begun for an annual incremental increase averaging 10.7 percent. Paddy yields for the province as a whole rose from 1,046.5 jin per mu in 1978 to 1,590 jin per mu in 1982. Simultaneous with sustained increase in grain output was substantial increase in cash crops and in forestry, animal husbandry, sideline occupations, and fisheries. Despite the effects of bad weather on this year's early crop, 310,000 mu were planted to hybrid superior throughout the county. This was almost 70 percent of the total area. It is now showing heartening growth, and a bumper harvest is in prospect.

How has it been possible over the past several years for the growing of hybrid rice in Gaozhou County to have developed from nothing, to have gone from little to much, and to have become the dominant kind of rice grown in the county? A review of the past several years shows that we have learned something from experience, namely the need to devote repeated attention to understanding.

Gaozhou County's process of promoting hybrid rice has been a process of devoting repeated attention to understanding. During the past several years, we have gone through three fairly large reversals in thinking. The first occurred in 1978. After between

1 and 2 years of experimentation, the enthusiasm of cadres and the masses was very high, and the area planted to hybrid rice in the county suddenly increased from the previous 2,000 mu to more than 90,000 mu. However, since superior hybrid strains were not good at that time, and because of lack of experience, some places failed. In 1979 the area declined sharply to slightly more than 30,000 mu. Some people came to doubt superior hybrid and to waver. The second time was in the winter of 1981 after "double contracting" responsibility systems contracting of responsibility for output quotas and for work tasks was instituted universally throughout the county, which again aroused controversy. People said that the growing of superior hybrid required a high degree of skill and that it could be grown by collectives but not by individual families and households. Numerous people believed that seed production, in particular, would be hard to do following promotion of responsibility systems. The third time was last spring when leaf blast affected some of the early rice crop and people again said that superior hybrid had many diseases and could not be readily grown on a large scale.

In order to make the spread of superior hybrid because a conscious act on the part of the broad masses of cadres and people, we devoted primary attention to solution of the following several problems in thinking, and gave impetus to launching promotion of superior hybrid.

First, was the so-called problem of "seed production difficulty." Is seed production difficult? We say it is both difficult and not difficult. Seed production began in Gaozhou County for the early crop in 1976. For the first 3 years, the county allocated funds and fertilizer and devoted tremendous efforts to seed production. Despite all, yields remained at around 30 to 50 jin per mu, and purity was also not all it should have been. When good seeds could not be produced, many people felt that seed production was difficult. Why was it "difficult?" One reason was the unsuitable system used. Formerly a decentralized system was used for seed production that was detrimental to the strengthening of leadership, detrimental to strict separation of fields growing individual lines, detrimental to the carrying out of technical regulations, and detrimental to quality inspection and acceptance. In order to change this state of affairs, we instituted a system of centralized county administration or joint county and commune administration, and went in for specialization of seed production on seed production bases. Beginning with the 1979 late crop, production of more than 70 percent of the seeds used in the county was centralized at bases, thereby assuring seed quality and purity. Second was seed production skills were not up to standard. In focusing on this problem, we organized agricultural science personnel and concentrated forces to carry

out a concerted attack on key problems. As a result of several years exploration, we finally learned from experience that there are "five keys" to superior hybrid seed production, namely staggering the times when male and female parents are sown to grow sturdy seedlings with numerous tillers; suitable expansion in the ratio of rows transplanted for an emphasis on the male and female parents growing strong; adjusting the flowering times of male and female parents to assure they coincide; prompt cutting of leaves and removal of buds to improve cross pollination; and diligent removal of mongrels to assure purity. Beginning with the late crop in 1979, large areas throughout the province were devoted to seed production with yields averaging more than 150 jin per mu, seeds being more than 98 percent pure, and quality also being fairly high. This year countless households throughout the county produced seeds and countless households had superior quality. This shows that the problem of seed production being hard can be solved.

Second, does superior hybrid "eat a lot?" Superior hybrid eats a lot of fertilizer, but it is no "big eating lout." Instead it eats a lot of fertilizer but makes a big contribution. For example, comparative tests on the early crop carried out in 1980 at the farm science station in Mutoutang Commune using 18 jin per mu of pure nitrogen produced yields averaging 1,071 jin per mu of "Shanyou 2," or 59 jin of paddy per jin of pure nitrogen, and yields averaging 819 jin per mu for "Guichao 2," or 45 jin of paddy per jin of pure nitrogen. In comparisons of late crop conducted in 1980, the County Agricultural Science Institute and nine stations of different kinds conducted joint experiments. Comparative results of yields from "Shanyou 6" and "Guichao 2" under conditions of high, intermediate, and low fertility likewise showed a comparatively high rate of return from fertilizer and high benefits from fertilization for "Shanyou 2" and "Shanyou 6." [sic; presumably "Shanyou 6" and "Guichao 2" was intended.] This shows that though somewhat more fertilizer must be used for the growing of superior hybrids, results in increased yields are remarkable, and very worthwhile by comparison.

Third, does superior hybrid have "many diseases?" Last year Gaozhou County grew 528,000 mu of early rice as its early crop (including 330,000 mu of superior hybrid). In the early stage, leaf blast was fairly serious in some fields, and at its height an area of 278,000 mu throughout the county was affected. At that time some people complained that the growing of hybrid rice for a long time brought about disease. Some people also supposed that it had been blind fertilization, particularly with too much nitrogen, that had caused the disease. We organized mainstay agricultural technical cadres to travel throughout the county's 27 rural communes surveying and analyzing. They found that the

variety that had been diseased particularly seriously was conventional variety, "Ribenbai," which had a 30 to 40 percent incidence of disease. Next was "Shanyou 2" in which the rate of occurrence was about 25 percent. The incidence of disease for "Shanyou 6" was about 5 percent. Shanyou 36 and Shanyou 32 were virtually disease free. Following survey and analysis, everyone agreed that the incidence of disease in last year's early crop had been serious. This had been mostly because following "double contracting," when the enthusiasm of the masses was high, too much fertilization had been done everywhere. This helped disease develop. In view of these circumstances, we recommended holding back on the use of nitrogen fertilizer during mid-season with small amounts of nitrogen being given for heading in the late season. In addition, the masses should be fully aroused during the periods of full tillering, bushing out, full heading, and the in-the-milk period with thickening of heads to use insecticides such as EBP, lime sulfur, carbendaxol, and Bordeaux mixture in turn in an all-around spraying program for effective control of diseases in order to be able to continue to reap rather large bumper harvests of early rice. Yields of paddy for the county as a whole should average 859 jin per mu, a 9.2 percent increase over 1981, the all-time high year for early crop rice. Facts have shown that to say that "superior hybrid" has many diseases is not to tell the whole story.

9432

CSO:4007/209

SUMMER PROCUREMENT POLICY ISSUED

Shijiazhuang HEBEI RIBAO in Chinese 3 Jun p 1

[Text] Recently, this reporter interviewed a responsible person at the provincial Agricultural Department on the question of the wheat harvest. He said that the summer wheat production situation this year in Hebei is pretty good. Judging from the way that the wheat is presently doing, if there is no particularly big natural disaster with the next 20 days, it will probably be a bumper year. At the same time he pointed out that according to weather department forecasts, there will be a good deal of overcast and rainy weather during the summer harvest period, disadvantageously affecting the summer harvest. Consequently, every wheat-producing commune and production brigade should begin now and complete as soon as possible the various preparations for the wheat harvest, highlighting the one word "rush," harvesting quickly, preventing the wheat from molding, rotting, and going bad, and creating bumper production and a bumper harvest, with every grain getting to the granary. In order to accomplish this, the responsible person at the provincial Agricultural Department set forth three measures.

1. The leadership at all levels should conscientiously analyze the new circumstances and new characteristics of this year's wheat production, and keenly recognize the difficulties of doing a good job with this year's summer harvest work. Seen from the whole province, this year's wheat harvest has three features: The first is that the harvest and reaping task is arduous. Whether mountain area or plain, dry field or wet field, the way that the wheat is growing throughout the whole province is better than last year. Low- and medium-yield areas will have a broad-scale increase in production, and this will increase the threshing task of the wheat harvest. The second is that according to weather department forecasts, in June Hebei will have five cycles of rain, which will be very disadvantageous to the summer harvest. The third is that the villages of the entire province have already fundamentally carried out the large-scale assignment of responsibilities system, but according to investigations more than half of agricultural households do not have threshing grounds or else the ground is inadequate, and there are few threshing tools. Because of this, leadership at all levels absolutely must overcome the unrealistically optimistic mood and insensitive, careless thinking, study the new situation, resolve new problems, mobilize the zeal of the broad cadres and masses, and ensure the smooth progress of the wheat harvest work.

2. They should act as soon as possible to do a good job on the various preparations for the wheat harvest. First they must resolve matters pertaining to threshing grounds, harvest machines, and equipment to guard against rain. As for collectively owned agricultural machines for harvesting, shelling and threshing, the various communes and brigades should all plan as a whole to make arrangements, and carry out machine maintenance and the task responsibility system, so as to give full play to the machines' function. They must give full play to the might of local methods of harvesting, eligible households may sell small threshing machines, and at the same time they must plan well in advance for the wheat-threshing grounds and threshing machines for the commune members, rationally arrange the proper sequence for harvesting, and organize the necessary cooperation between teams and between households. They must prepare the facilities to guard against rain and wind, and must not let the wheat germinate or mold, rot and go bad.

3. All levels of leadership must conscientiously improve their work style, immerse themselves in the front line of the wheat harvest, do a good job in investigation and research, and understand what the commune members are thinking, what they expect, what they are worried about, and what difficulties they have. And they should actively adopt effective measures to help them solve more. As for the "three withouts households," they must organize their strength to help support them, and agricultural and agricultural machine departments should send technicians to give them technological guidance. Commercial and supply and marketing departments should strive to allocate and transport materials used in agriculture in time, to distribute them rationally and appropriate to the need, in order to see that the summer harvest makes the contribution that it should.

At the time that the various localities are making a concerted effort to finish the job quickly, they should also rationally arrange both the labor force and the time, complete the summer sowing at the proper time, get a good grasp on the management of summer tasks, to ensure full, sturdy seedlings, in order to create a good foundation for getting a bumper autumn harvest and open up a new aspect of Hebei's agricultural production.

12452

CSO: 4007/192

SUMMER GRAIN PROCUREMENT; ABOVE-QUOTA PURCHASES REPORTED

Shijiazhuang HEBEI RIBAO in Chinese 3 Jun 83 p 1

[Text] This reporter has learned from the concerned departments that this year's grain production situation in our province is very good. Summer grain procurement work, generally full of spirit, is constantly maintaining the sole-responsibility policy, not putting pressure on assignments, doing work well, and energetically surpassing quotas.

This year's summer grain procurement work will follow the relevant policies:

1. During the procurement period, the grain market will not close. After peasants have completed their fixed wheat sales task, they may go to market and make up the insufficiencies of others from their own supplies. But supply and marketing cooperatives and villages, and other cooperative commercial enterprises, organizations and bodies may not sell wheat in the market. Those who violate this policy by taking part in rushing to buy, driving up grain prices, or disrupting the market, should be severely handled in accordance with the State Council's Urban and Rural Market Trade Management Methods.

When procurement tasks are completed at the county level, distribution may take place through various approved routes: supply and marketing cooperatives and other village cooperative commercial enterprises as well as individual peasants may transport and sell via their various ways and channels. 2. In order to encourage counties that concentrate on wheat production to purchase additional wheat, after they have completed their quota-sale purchasing task, that portion above quota should be retained for future consumption. The above-quota portion can be equally divided between the province and prefecture. The prefecture's share should be divided up in accordance with the contributions of the individual counties, and each gets its portion in return, but the maximum for edible oil and grain must not exceed 70 percent of the fixed quantity. 3. In order to encourage peasants to turn over and sell still more wheat, after they have completed the summer contracted sales tasks, the masses should continue selling, and all excess sales will be purchased at prices 50 percent above the price of above-quota purchases; so the peasants have both adequate supplies and money on hand, accounts will be settled directly and immediately.

12452

CSO: 4007/192

PROVINCIAL CONFERENCE DISCUSSES FLOOD PREVENTION

Shijiazhuang HEBEI RIBAO in Chinese 31 May 83 p 1

[Text] The provincial government convened an All Province Flood Prevention Conference from May 25-26, which specifically studied flood-control problems of the Hai He and other river systems. Based on our province's climatic features, historical materials on past flood destruction from the Hai He and weather department forecasts, the conference pointed out: this year during the flood season many areas in our province will have a lot of rain, and some areas will probably have flood damage. All areas must strengthen leadership, mobilize and organize the masses to get an early start on doing a good job on various preparations to safely get through the flood.

The conference felt that flood-prevention work is a major issue for the entire party and the whole people, and it is an unshirkable responsibility and duty of all citizens. Doing good flood-control work has very important significance in safeguarding the two cities of Beijing and Tianjin, the trunk lines of the primary railroads, oil fields, and the safety of the life and property of the people of our province; in protecting the four modernizations' construction, and in wresting a bumper agricultural crop this year. The conference analyzed the beneficial conditions and the disadvantages for flood-control work this year. The conference pointed out that the beneficial conditions this year are: We are getting started earlier than in past years; some engineering projects have already undergone this year's "three checks and three fixes"; some projects have already been taken care of, and for those that have not been taken care of, we have a pretty good idea what needs to be done; the dry weather has already gone, and so now we can concentrate energetically on getting a good handle on flood prevention. The disadvantages are: Some cadres and masses underestimate the amount of rainfall this year, and are careless in their thinking; due to successive years of severe draught, people's thinking about flood prevention is fairly weak; responsible cadres in many places lack leadership experience in flood prevention, and the masses, particularly some young people, lack knowledge of flood control; there is severe natural blockage of some flood-control canals, and they have slipped below the regulated standards; in some areas, there are manmade obstacles with a good many hidden dangers. This makes this year's flood-prevention work even more formidable. The conference asked that every level of leadership give much attention to this year's flood-prevention work, earnestly strengthen leadership, and start to work as early as possible on ideological, organizational, technological and material preparation for doing a good job on flood and water-logging prevention, meet head on the



great flood and waterlog damage that may happen this year, and gain a thorough victory in the flood-prevention struggle. The conference put forward measures for doing a good job with flood-prevention work based on the principle that "an ounce of prevention is worth a pound of cure!"

1. Flood-prevention work this year requires an early start, amply preparations, clear responsibilities, and based on the notion of preventing a great flood, doing a good job in all aspects of preparation work in a down-to-earth manner in order to ensure safety.

2. Quickly set up and perfect flood-prevention leadership organizations at all levels, and have them begin to handle official business on 1 June. Get a good handle on setting up emergency, standing and reserves contingents.

3. Level by level, implement ways for leading cadres to contract out reservoirs, and contract out sections of dykes, and ways for the concerned units to contract out assignments, taking care of everything, from pre-flood inspections, to flood-time protection and heavy flood emergency rescue. Water conservancy, weather, transportation, communication, electric power, commerce, goods and materials and other departments should unite in cooperation, and each carry out their own responsibilities. If contradictions appear in the course of work, they should take care to think of the whole flood-prevention situation.

4. Large and medium reservoirs, the Zhang He, the Weiyun He, Zhangweixin He, and Ningtuo He, which are major flood courses, the left dyke and the Qianli [1,000 li] dyke of the Ziyaxin He, and the Yongding He's road-maintenance dyke are the key points for flood prevention for the entire province. Various areas must get an outstanding handle on preparation work so that these engineering projects can get through the flood. Draining waterlogged conditions on the plains is one of the weak links in Gansu's flood-prevention work, and the various areas must put forth their greatest determination before the heavy rains and great floods come to clear out and restore the drainage canals. In those cases where particularly heavy waterlogging temporarily cannot be drained off in time, they should be taken care of in line with the principle of dispensing with small advantages and protecting large advantages. We must do a good job with small-scale farm irrigation work, and do a particularly good job in carrying out flood-prevention measures for the several hundred thousand motor-pumped wells, and do a good job in protecting the material basis for drought-free bumper crop farming.

5. Cities and towns have a concentration of inhabitants, and they are also the political, economic, and cultural centers of their areas. And so doing a good job with city and town flood prevention has important significance. The leadership departments in each city and town should conscientiously stress it, and carry out flood-control measures down to each and every organization, shop, industrial and mining enterprise and residence (household).

6. In cases where there are contradictions in water conservancy, through the principles of the part submitting to the whole, and small advantages submitting to large advantages, through mutual accommodation, take the initiative to bear the difficulties, and consult to resolve the difficulties. If agreement cannot

be reached within a short period of time, then they must adopt measures to have high-level flood-control leadership decide, and both sides must unconditionally implement the decision. As for those who refuse to carry it out, seek out responsibility and heavily punish those who cause losses.

7. Before the end of June, make adequate preparations and good arrangements for supplies and facilities needed for flood control, and do a particularly good job on the work of warning the masses.

8. Flood-control work certainly requires unified guidance, management and cooperation. Strictly carry out and follow the orders sent down by higher levels, and in no instance are people permitted to do as they each see fit, or each do things in his own way. The Public Security Department should strengthen the protection work for important engineering projects, and severely punish those who destroy engineering projects and facilities in due time and in accordance with regulations.

9. As for this year's planned maintenance work to reinforce and eliminate danger in water reservoirs, and as for annual repairs and flood-control work on the dangerous sections of rivers, we must complete it both qualitatively and quantitatively before the flood season. For those sections which cannot be completed for a time, we must adopt emergency measures to get through the flood. We must also diligently clear out any obstacles blocking the water in the course of the flood and the canals for draining waterlogged conditions; and also get a good grasp on plugging up and reinforcing hidden dangers on the dykes such as openings, tunnels and breaches.

10. Strengthen flood- and rain-condition reports and forecasts, do a good job in communication, and ensure that orders which come down and flood information is transmitted in time.

11. Learn from and rely on the People's Liberation Army. Each area, city and county should initiate contact with the locally stationed troops, exchange information, do a good job with joint people-army flood control, cooperate to fight together and ensure a victory in the flood-control struggle.

12452

CSO: 4007/192

## BRIEFS

GINNED COTTON RECORD--Through 31 May, the total ginned cotton procured in our province was 730.35 million jin, completing 146.1 percent of the assigned task. The procurement is 274.95 million jin more than for the same period last year, and is the highest record in history. The average ginned cotton sold per mu was 69 jin 6 liang, and was the highest year in history for ginned cotton sold per mu. Due to successive years of bumper cotton crops in our province, we have turned around the historical situation in which our province's cotton-spinning enterprises relied on help from the whole nation for their raw cotton requirements. Founded on the self-sufficiency of the two years 1980 and 1981, this year we realized more than self-sufficiency, and we can send out more than 200 million jin to help national construction. [Text] [Shijiazhuang HEBEI RIBAO in Chinese 31 May 83 p 1] 12452

CSO: 4007/192

# REASONS FOR DECREASED PROCUREMENT OF SIDELINE PRODUCTS ANALYZED

Changsha SHICHANG TIAOJIE in Chinese 5 Mar 83 p 2

[Article: "Why Has Procurement of Class 3 Agricultural and Sideline Products Declined?"]

[Text] According to information furnished by the relevant departments, last year there was a certain decline in the procurement of certain class 3 agricultural and sideline products in this province, with a particularly large decline in mountain areas. There are five main reasons.

1. Incorrect operating ideas. Many basic-level procurement units still stress large-volume items and neglect small-volume items; they fear that handling small-volume items will be troublesome, will produce overstocks, will lose them capital and will affect profits and bonuses; they constantly go in circles around the word "profit."
2. Some products have been replaced by new products and have been abandoned. For example, the hemp and wutong bark and other wild fibers used to make rope have been replaced by the development of nylon and plastics; because of several years of bumper grain harvests, the people's standard of living has risen, and such wild starches and wine-making materials such as jingang dou have been abandoned.
3. Because of multiple channels of circulation, the procurement prices of fast-selling products have been rising, and the units responsible for procurement cannot find sources of supply. For example, after the state eliminated the price ceiling of 150 yuan per dan on dried lily buds, the market price rapidly climbed to 300-400 yuan, there was procurement competition between domestic and foreign trade units and between localities, and individuals even bought up quantities and transported them over long distances to sell them; thus goods sources flowed toward natural markets.
4. The forestry and commercial departments understand the "Forest Law" differently and contradictions have arisen, hindering procurement. For example, the commercial departments want to procure Zhimutiao, while the forestry department will not agree, so that there has been a sharp drop in the amount procured. In Anhua County, for example, in January through September of last year the amount of Zhimutiao procured decreased by 91.3

percent from the same period in the previous year, and the procurement of Wooden containers dropped by 92.8 percent for the same reason.

5. Price factors also influenced procurement work. First, the prices of some products were too low and the peasants were unwilling to collect them; second, some products had fallen sharply in price many times, so that the peasants' enthusiasm for producing or gathering them was dampened; third, the procurement prices of Chinese pharmaceutical materials have been unstable and prices of some products rose rapidly while they were in short supply, which stimulated increased production, while the rest of the time they dropped rapidly and procurement was limited, so that the peasants had misgivings about collecting them and the basic level procurement units' work became difficult.

8480

CSO: 4007/149

NEED TO BUILD AGRICULTURE IN MOUNTAIN REGIONS DISCUSSED

Yinchuan NINGXIA RIBAO in Chinese 23 Jun 83 p 2

[Article by Xue Hongfu [5641 1347 4395]: "Maintenance of Ecological Balance While Carrying Out Program for Building of Mountain Regions"]

[Text] Development of agriculture requires reliance on policies first, and reliance on science second. Thus, it is necessary to establish a scientific concept of large scale agriculture in accordance with the overall struggle objectives in building China's economy, and in combination with the Ningxia Autonomous Region's natural conditions and the realities of its agricultural production. We must look to fullest use of different kinds of land throughout the region, establish a fine agro-ecological system, develop farming, forestry, animal husbandry, and economic diversification, and raise the people's standard of living.

The southern mountain area of the Ningxia-Hui Autonomous Region (including the five counties in Guyuan Prefecture plus Yanchi and Tongxin counties) have a land area of 59.09 million mu, which is 59 percent of the mountain area's total land area. Cultivated land there accounts for about three-fourths of mountain area's cultivated land area. Formerly, as a result of the effects of "leftist" guiding ideology, no concept of the ecology or of large scale agriculture existed, and clearing of wilderness lands for agriculture steadily expanded. Subsequently, lopsided emphasis was placed on "taking grain as the key link," and wanton clearing of wilderness continued. The cultivated area was expanded, but harvests were lean, and yields were both low and inconsistent. The undiversified agricultural economy that has existed here for a long period of time has destroyed natural resources, and has destroyed vegetation cover and ecological conditions. This has brought about a serious imbalance among farming, forestry, and animal husbandry in this area, and extremely severe soil erosion. We must remember well this painful lesson of history.

In recent years, thanks to the loving care of the Party Central

Committee, building of the southern mountain area of the autonomous region has taken a new road, which has produced heartening results.

Since 1978, the autonomous region CPC committee has undertaken many surveys and engaged in repeated discussions. Acting on the basis of past experiences, in 1980 it first proposed a construction program of "vigorous planting of trees and growing of grass, the flourishing of animal husbandry and advances in agriculture, adaptation of general methods to specific situations, and all around development" of the southern mountain area. Practice has demonstrated this program to be in keeping with both realities in the mountain area and the interests of the people. Wherever it has been assiduously implemented, changes have taken place in both natural conditions and in the production situation, and the masses of people have also benefited economically. The example of Baicha Production Brigade in Chengyang Commune in Guyuan County has demonstrated this point. In 1978, this production brigade emulated the experiences of the Gaoxigou Production Brigade in Mizhi County, Shaanxi Province in the use of a "three three system" in farming, forestry, and animal husbandry. It vigorously planted trees and grew grass, allowed farmland to revert to grazing or forests, and instituted a "three three system" for forests, grain, and grass. After several years of unflagging efforts, it has already achieved success. Today the entire production brigade has an accumulated 10,820 mu of afforested land, or an average of more than 5 mu per capita. More than 250,000 trees are growing in scattered places, an average of more than 110 trees per capita. The cultivated grass area amounts to more than 5,400 mu, an average of 2.6 mu per capita or double the 1978 amount. The large amount of forests and grass has begun a revival of vegetation cover, and the situation of shortage of "three materials" has been ameliorated; erosion has decreased; and soil fertility has risen to promote steady yields of grain and the development of the animal husbandry industry. Commune member income has begun to increase. Today the production brigade has 664 head of large livestock animals, an average of almost 2 head per household. It has 2,300 sheep and goats. Last year this area suffered serious drought, yet the summer grain harvest increased. In the 5 years since 1978, despite a 30 percent reduction in the production brigade's grain area, gross output has averaged a 140,00 jin increase over the 5 years before 1978, and yields have increased by 26 jin per mu. In 1982, average earnings of those engaged in farming, forestry, animal husbandry, and sideline occupations increased twofold over what they had been in 1978. Such typical examples occurred at the Chentan Production Brigade, Pingfeng Commune in Xiji County, at the Tuanzhuang Fourth Brigade, Heicheng Commune, Guyuan County, at Xiamaguan Commune in Tongxin County, and in Dongwan Production

Brigade, Shatang Commune in Longde County. Numerous communes and brigades have taken firm grip on the building of forests and grasslands. They are using grass and irrigation as means of making breakthroughs, and have begun water and soil conservation to solve difficulties with shortages of the "three materials." The masses in Baicha Production Brigade say happily that the way to get rich is to grow grass, to graze livestock, and to plant trees. They have put into effect the program for building of mountain areas, and after constant practice and exploration, they have taken a new road toward change in their poverty stricken conditions.

Recently I made a survey of some of the counties in the mountain area and took the opportunity that convening of the autonomous region's Fifth National People's Congress afforded, the arrival of comrades in charge in the mountain area, and informal discussions with people's delegates to discuss problems in building the southern mountain area of Ningxia. What impressed me deeply was that everybody has very great confidence in being able to change the backward condition of the mountain area, and they fervently hoped that we would be able to overcome the tendency to emphasize rivers but slight mountains in our guiding thought in order to usher in rapidly a new situation in mountain area construction. However, some comrades showed insufficient understanding about the region's CPC Committee program for building the mountain areas, and vigorous action has not yet been taken. Overall, three circumstances exist. The first is a fairly clear understanding and active launching of the building of forests and grasslands. The second is a muddled understanding and a wait-and-see attitude. The third is that quite a few people have expressed opposition. Consequently it is very necessary to proceed from theories and principles to solve the problem of understanding.

First, the concept of large scale agriculture must be firmly implanted. This is a fundamental strategic idea for changing the impoverished situation in mountain areas. Since the Third Plenary Session of the 11th Party Central Committee, and particularly since institution of production responsibility systems in rural villages, the enthusiasm of the masses has been aroused in a demonstration of the incomparable power of policies. As a result of the efforts of cadres at all levels, and of scientific and technical personnel and the broad masses, a fine situation of ascendancy has occurred in the building of mountain areas. Summarization of positive and negative lessons of experience has gradually corrected past mistakes in going against the laws of nature. However, some of us have yet to escape from the pen of small scale agriculture; our horizons have not broadened; we lack an ecological concept of rational use of resources, do not plant



trees or grass where land is available to do so, and think only about the present without concern for the long-term. We only farm the land without nurturing the land, and the plundering style of production has yet to be fundamentally reversed. What is meant by a concept of large scale agriculture? We did not understand this in the past, and we did not know that farming, forestry, and animal husbandry are an interdependent whole. We blindly cleared wilderness for farming and ignored forestry and animal husbandry, causing great losses as a result. Now we have come to realize through study and practice the necessity for farming, forestry, animal husbandry, sideline occupations, and fisheries, for adaptation of general methods to specific situations for rational use of natural resources, and for planning the ratio among farming, forestry, and sideline occupations so that one promotes the other to form a balanced agricultural production system. Formerly agriculture meant mostly farming, and farming meant mostly only grain production. The pattern of agriculture was irrational; the ecology was thrown out of balance; more and more land was brought under cultivation; yields per unit of area became lower and lower; soil erosion became increasingly serious; and people became poorer and poorer. This was caused by the lack of a concept of large scale agriculture. Such a state of affairs cannot continue. Thus, it is necessary to take positive action and use vigorous measures to resolutely halt continued deterioration of the ecological environment, to revive and build a fine large scale agricultural ecology system, and to take a path of agricultural modernization that is in keeping with China's circumstances.

Second, it is necessary to plant trees and grow grass, to conserve water and soil, and to revive the ecological balance as urgent strategic measures. Statistics show that Guyuan County annually loses 25.92 million tons of soil annually, and 310,000 tons of organic material, 23,000 tons of total nitrogen, and 64,000 tons of total phosphate are washed away annually for an extremely shocking situation. Vigorous planting of trees and growing of grass plus water and soil conservation are particularly urgent matters for changing the ecological imbalance and the numerous calamities and low yields of mountain areas. In this regard, priority must go to development of firewood forests to solve the masses' fuel problem. Unless this problem is solved, not only will the masses' production and livelihood be impaired, but implementation of mountain area construction programs and the Sixth 5-Year Plan will also be impaired. Firewood forests are characterized by fast growth, strong adaptability, and quick results. They may be grown throughout the mountain areas of our region. Guyuan Prefecture currently has 13.93 million mu of land suitable for forests. Were one-third of it used to grow various kinds of small bushes and false indigo,

within 4 to 5 years, each mu could produce 2,000 jin of fuel straw for a gross output of 100,003,000 jin, or an average of 5,000 jin per peasant household throughout the autonomous region for a basic solution to the fuel problem. In order to revive the ground cover, vigorous efforts must now be made to promote stoves that save coal and firewood. Where conditions permit, methane gas and solar energy stoves should also be promoted. With gradual solution to the fuel problem and increase in fodder grasses, grass may be used to raise livestock for an increase in organic fertilizer to promote consistently high agricultural yields.

In the growing of grass, major emphasis should be placed on the growing of pulse crops and pasture grasses. Scientific growing of pasture grasses is both an agricultural measure for raising soil fertility and a biological measure for conserving water and soil. In the readjustment of mountain area crop patterns, mostly alfalfa and sweet clover should be grown. This plays a major role in linking increase in the soil's organic matter to the gradual building of farming and animal husbandry, the linking of use of the soil and nurture of the soil, and in producing consistently high farm yields. In Guyuan County, Sigou Production Team in Yawan Production Brigade, Fengzhuang Commune used mountain tops, mountain slopes, and mountain ravines for an expansion of the growing of alfalfa. This typical experience demonstrated possibilities for more grass, more livestock, more fertilizer, and more grain.

In addition to the energetic planting of trees and growing of grass, it is also necessary to adopt multiple techniques now for effectively increasing soil fertility, to hasten improvement in low yield soils, to build a rational crop rotation system, to try to turn around rather quickly the infertile cultivated soil situation, and fundamentally control soil erosion and desertification. In this way, a fine agro-ecological system can be built and the vicious cycle changed. This will also help promote the beginning of economic diversification in mountain areas.

Third is the need to continue to liberalize policies to stir the enthusiasm of the broad masses of people. Recently RENMIN RIBAO published a report titled, "An Exploration of the Issue of Contracting Wastelands to Households for Afforestation," which was very inspiring. Though the Ningxia-Hui Autonomous Region has already decided to permit barren mountains and wastelands to be contracted for the planting of trees and the growing of grass, and has issued permits to do so, this has not been sufficiently implemented in some places as yet. In order to change the backward situation fairly quickly, we should emancipate thinking more and liberalize policies more. As regards forestry policies, we should clearly announce to the masses that trees planted and

afforestation done by individuals will forever remain the property of commune members, and that right of inheritance will attach to trees that have been planted. In addition, barren mountains, wastelands, and grasslands may be assigned to commune members in the same way as cultivated land, contractors thereby having rights over the mountains that they transform, be responsible for the mountains under their management, and enjoy rights from the mountains that they maintain. In this way, afforestation and care of forests (or care of grasslands) will have a widespread mass basis.

Fourth is amplification of laws and regulations, and administering forests according to law. Formerly, because laws and regulations were not amplified, reckless cutting and denudation of forests was extremely rampant, and the evil tendency for a small number of communes and brigades to destroy forests has not yet been completely halted, causing unwarranted losses to the country and the people. In 1981, the state promulgated the "Forest Law," and this has doubtlessly been beneficial in increasing the forest cover rate, in strengthening forest administration, and in protecting forest resources. However, detailed rules and regulations that adapt general methods to specific situations are still lacking. The Standing Committee of the region's National People's Congress can proceed from realities in the region to the formulation of specific laws and regulations, and promulgate them for implementation. Those who destroy forests are not merely to be "punished" but in serious cases, they should be punished according to the law, laws genuinely being relied upon. In order to carry into effect the "Forestry Law," it is recommended that departments concerned establish judicial institutions with all possible speed to fully carry out the function and role of forest judicial institutions in protecting forests.

Fifth is serious attention to "investment in intellect" in agriculture, to hasten the training of people skilled in agriculture. The report of the 12th Party Congress clearly noted that "the key to realization of the four modernizations is the modernization of science and technology." In mountain regions with their cultural backwardness, work in this regard requires strengthening even more. Statistics show that only one-third of all those engaged in scientific and technical work in farming, forestry, and animal husbandry throughout the region at the present time are graduates of institutions of higher learning. This is mostly because agricultural scientific and technical personnel are low paid. Some agricultural scientific and technical personnel are unhappy doing agricultural work. The autonomous region's people's government has already taken action to encourage agricultural scientific and technical personnel to go to rural villages

and to mountain areas, and it has made proper readjustments and arrangements with regard to their low wages as well as the employment of their sons and daughters. This is extremely necessary. The broad masses of agricultural scientific and technical workers would take positive action, and take firm hold of real problems existing in agricultural production, and in the building of forestry, animal husbandry, and economic diversification. They must launch scientific research work, and propose genuinely workable measures, become involved in practice, and make a contribution to the transformation of backward mountain areas.

It is necessary to increase investment in intellect, and to be willing to spend money for education in energetic training of intermediate grade agricultural technical personnel. It should be clearly realized that without a general uplifting of the scientific and cultural levels of the broad masses of peasants, even with new scientific agricultural techniques, it will not be possible to popularize and spread them, and agricultural science and technology will be unable to spearhead production.

The Third Plenary Session of the 11th Party Central Committee lighted the way for development of agriculture. The 12th Party Congress made agriculture a strategic focus. Under these new circumstances, the Party Central Committee has been extremely solicitous of people of all nationalities in the mountain areas of our region, and has made them key areas in providing support. The autonomous region's CPC committee has also been extremely attentive, and this has created favorable conditions for the building of mountain areas. Once we are on the right track, and everyone works with one mind from top to bottom to carry out mountain area building programs resolutely, the mountain areas will have great prospects.

9432  
CSO:4007/214

WITHHOLDING, USE OF ACCUMULATION FUNDS DISCUSSED

Yinchuan NINGXIA RIBAO in Chinese 23 Jul 83 p 3

[Article by Zhang Xushu [1728 1645 6615]: "Withholding and Use of Production Team Collective Accumulation Funds"]

[Text] In Yinchuan Prefecture, 99.86 percent of all production teams have instituted the form of production responsibility system whereby peasant households assume full responsibility for task completion. After households in these production teams assumed full responsibility for task completion, how were the former collective funds handled? Will withholdings of public accumulations continue to be made each year in future? How will funds that have been withheld be managed and used? Inasmuch as understandings about these questions differ among cadres and commune members in individual communes and brigades, methods consequently differing as well, I will discuss my views here.

First the purpose of withholdings and accumulations must be clarified. Marx addressed this matter long ago in his "Critique of the Gotha Program" in which he pointed out that from total social product "must be deducted: first, a portion for use in replenishing the means of production that have been expended; second, an additional portion for expansion of production; and third, a reserve fund or insurance funds for use in meeting unfortunate accidents or natural disasters. Deduction of these portions from 'the full earnings of labor' is economically necessary." Thereafter, it is also necessary to take a portion of goods to be consumed for use as a management fee, as well as a fund for schools, hospitals, and homes for the aged. This clearly affirms the necessity for withholdings. Today, our production teams are no exception. Despite changes in operating methods, the assignment of sole responsibility for task completion to individual households does not amount to a dividing up of fields to work them alone. It is still necessary to "turn over sufficient to the state, and to retain sufficient for the collective," the remainder being one's own, with most of what is retained for the collective being withholdings of public accumulations.

When beginning to build a responsibility system in which individual households assume sole responsibility for task completion, most communes and brigades provided that previous collective accumulation funds may not be touched, and this has played a positive role in preventing public accumulations from being divided among members, has protected collective property, and has maintained the collective economy. However, major changes are a thing of the past now that the responsibility system whereby individual households assume sole responsibility for task completion has been established. Moreover, it is being constantly improved and developed through practice, so previous "prohibitions" should be cancelled, and production teams' previous collective accumulation funds put to use with full use made of their role, turning "dead money" into "live money." This money can be used to purchase, replace and maintain fixed assets, for investment in various kinds of agricultural capital construction such as farmland water conservancy; as investment in the operation of centrally administered production projects; as subsidies for the care of the families of martyrs and soldiers, of households enjoying the five guarantees [childless and infirm old persons who are guaranteed food, clothing, medical care, housing and burial expenses by the people's communes], and of needy households as well as for teachers in civilian operated schools and for rural doctors, etc. Additionally, communes and brigades having requisite conditions may provide some production funds for commune member households, particularly for specialized households and major households, or new economic partnerships to be used as circulating capital to be repaid within a fixed period of time. In fact, some communes and brigades are already doing these things, which have been universally welcomed by commune members and have achieved fine results. Some people are apprehensive lest commune members will not repay borrowed funds on time, but such apprehensions are unnecessary. First of all we cannot too much underestimate the extent to which the masses of commune members are aware of their responsibilities. Since an overwhelming majority of them make sure that they honor contracts, turning over to the state quotas and collective withholdings on time and in full, they will likewise be able to return the production funds they borrow on time and in full. Secondly, we must have a specific method and system whereby funds are loaned and looked after. In the even that individual commune members do not want to make repayment, we can use ideological indoctrination and take corresponding action to solve the problem. Thus, we positively should not refrain from doing something out of fear of slight risk, losing a lot by trying to save a little.

The proportion withheld from production teams as accumulation funds should be appropriate, neither too much nor too little. If

too much, the peasants' burdens are increased; if too little, needs for the expansion of reproduction and for endeavors that benefit the public such as culture and welfare benefits cannot be satisfied. Inasmuch as peasant households have themselves become responsible for the accumulation funds needed for some of the expansion of reproduction following household assumption of full responsibility for task completion, consideration can now be given to reducing the proportion of public accumulation funds withheld by production teams to somewhat less than the 3 percent of net earnings stipulated in the "Sixty Articles." Nevertheless, the amount should be set on the basis of specific circumstances in individual communes and production brigades and whether the harvest has been a bumper or a lean one. There is to be no practice of "arbitrary uniformity" or rigid unitary stipulation of proportions and amounts of accumulations to be withheld. Inasmuch as most production teams practicing the assignment of sole responsibility for task completion to individual households have designated land to be contracted on the basis of average population, quite a few places have apportioned accumulations to be paid on the basis of the number of people working the land or the land area. They have clearly stipulated in contract agreements, in quotas to be turned over to the state, and in other withholdings the total amount of public accumulations. This is a workable method. However, some communes and brigades are either preparing to, or have already, instituted a withholdings method whereby funds are collected from commune member households at any time as needs for production, projects, or cultural and welfare endeavors require. I feel this is not a proper method and should be stopped. This is because it has several drawbacks, the most important two of which are as follows: First is a complex set of procedures with no end to levies. There is no way of knowing how many times withholdings will be made in a year, and the masses do not like this. Second, it does not help strengthen administration and management. It causes blindness about the state of production team receipts and expenditures. A socialist economy is a planned economy. Production teams act as economic units, and the scale of expansion of reproduction as well as cultural and welfare endeavors should have their own overall plans. There should be no reliance on ad hoc and casual decisions.

How can production team accumulation funds be managed well have they have been withheld? This is also an extremely important question. As a result of some commune and brigade failure to manage them well, problems have arisen including improper use of accumulation funds, or even loaning or spending them arbitrarily, corruption, or diversion to unauthorized purposes. Therefore, financial management systems must be established and perfected, with methods of managing and using accumulation funds clearly

stipulated. The monetary value of livestock and farm implements as well as of other collective property turned over to households, and production capital advanced to peasant households must be repaid on time in accordance with terms of original agreements. Except under special circumstances, accumulation funds may not be used without discussion and democratic decision by the masses, subject to approval by production brigades and communes. It is forbidden to loan or spend such funds arbitrarily, to use them for corrupt purposes, to divert them to unauthorized purposes, or to distribute them without authoriaation. In case of violations, responsibility must be fixed. Organizations concerned such as banks and credit cooperatives must also take definite actions, and treat the retention and care of production team collective accumulations as an important task of accumulating credit funds, and devote earnest attention to them.

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## SHANXI

### NOTICE ISSUED ON GRAIN, EDIBLE OIL PROCUREMENT

Taiyuan SHANXI RIBAO in Chinese 4 Jun 83 p 1

[Article "Do a Genuinely Good Job of Summer Grain and Edible Oil Procurement Is Notice From Provincial Grain Department To Grain Departments Everywhere."]

[Text] Recently the Provincial Grain Department issued a notice to the grain system throughout the province requiring early preparations to do a good job this summer in the procurement and storage of grain and edible oil.

The notice said that wheat has grown well in the province this year and a bumper harvest is in prospect. In order for state procurement and storage work to meet this fine situation in agricultural production, all jurisdictions should perform the following tasks as rapidly as possible.

1. Earnestly solve the conflict between much grain and few granaries.
2. For production teams or households with large quotas and much grain to sell, grain departments should institute inspections of quality, weighing, and make final settlements with production teams or households, and use every available means to accommodate the masses in selling their grain.
3. If specialized households and major households having more than 5,000 jin of grain to sell experience difficulties in selling their grain, grain departments should organize transportation forces to haul the grain from their households.
4. Every possible means should be used to accommodate the masses in making grain sales. When required, temporary receiving points should be set up.
5. All procurement stations and points should lengthen their business hours and accept grain whenever it arrives in order to satisfy commune member needs to sell surplus grain. Once state

procurement quotas have been fulfilled and surplus grain remains to be sold, all grain in excess of state procurement base figures that meets standards for sale is to be purchased at an increased surplus procurement price. On absolutely no account is grain procurement to be halted, limited, or refused.

6. Testing and chemical examination instruments and weighing devices, as well as grain storage machinery and equipment should be inspected, repaired, and calibrated to insure that it is accurate and operable when needed for use in order to improve work efficiency and save peasants' time in making grain deliveries.

7. Good performance in receiving grain. Following institution of production responsibility systems, considerable changes from past practice have taken place in peasant deliveries of grain. A good job of organizing storage must be done, appointments made for certain amounts to be stored on certain days, and a campaign stressing quality service actively launched so that peasants will have better places to rest, to get drinking water, and to eat.

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END